

Caltrans Monthly Finance Report

Presented to the
California Transportation Commission
May 25-26, 2005



State Budget Update

- The proposed May Revision changes to the 2005-06 budget were released May 13, 2005.
- The changes, if approved, may significantly impact the forecast.
- The Department will prepare a new cash forecast after final enactment of budget changes.



Tribal Gaming Revenue Proposal

- Reduce tribal gaming bond from \$1.2 billion to \$1.0 billion.
- Funds allocated as follows:
 1. \$465M to the State Highway Account (SHA).
 2. \$290M to the Traffic Congestion Relief Fund (TCRF).
 3. \$122.5M to the Public Transportation Account (PTA).
 4. \$122.5M to local streets and roads.

A vertical strip on the left side of the slide shows a stack of US dollar bills. The top bill is a \$100 bill, with the number '100' and the word 'HUNDRED' visible. Below it, a \$20 bill is partially visible, showing the number '20' and the word 'TWENTY'. The bottom bill is a \$10 bill, showing the number '10' and the word 'TEN'.

Proposition 42 Proposal

- Reinstate suspended Proposition 42 transfer.
- Transfer would be allocated in 2005-06 as follows:
 - \$678M to TCRF.
 - \$254M to STIP.
 - \$254M to local streets and roads.
 - \$127M to PTA.



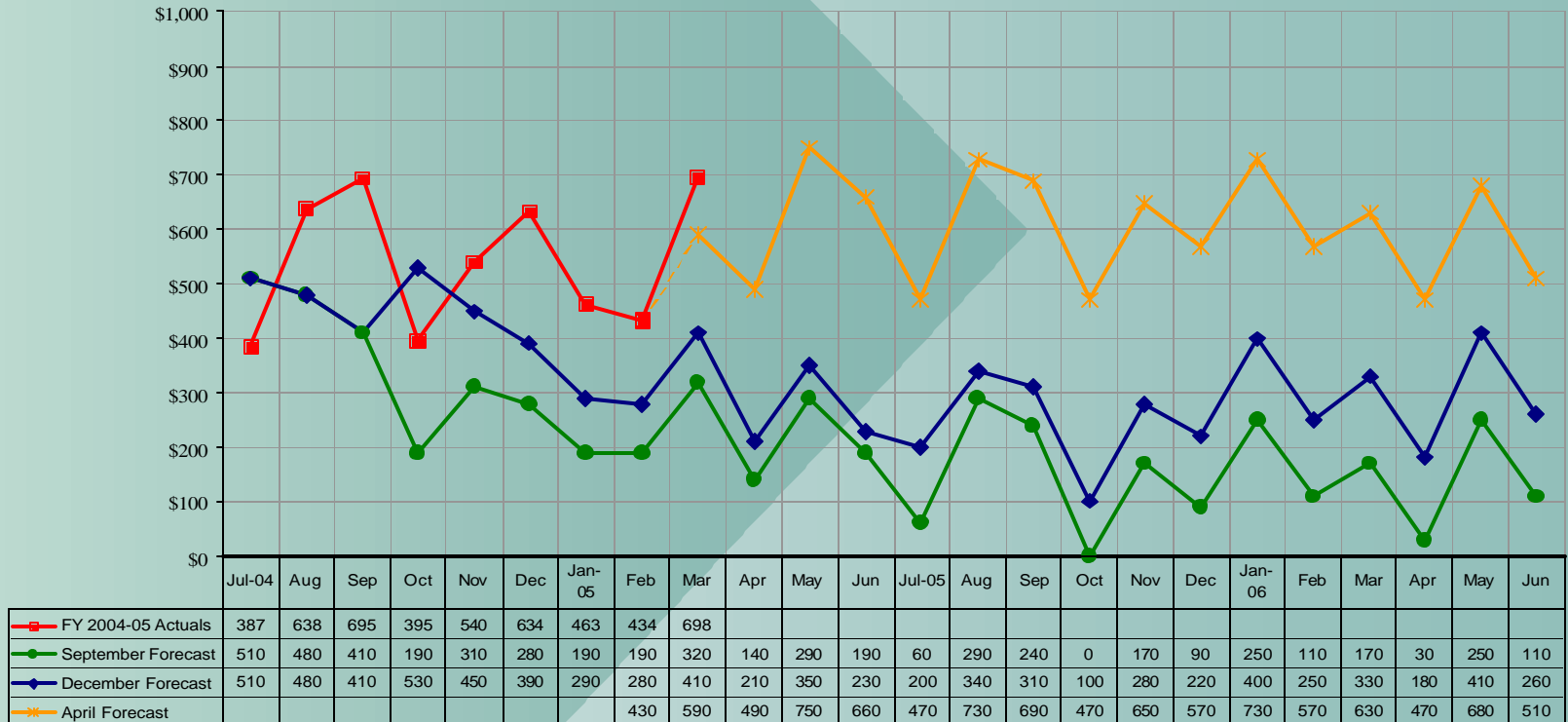
State Highway Account Cash Forecast

- SHA cash balance for March was about \$100 million higher than forecast.
- Revenue and expenditure detail:
 - Weight fees and federal receipts were higher than forecast, or 7 percent different for the year.
 - Fuel tax collections were slightly lower than forecast, or 2 percent different for the year.
 - State operation expenditures were slightly lower than forecast, or 6 percent different for the year.
 - Local assistance expenditures were on track with the forecast.

State Highway Account Cash Forecast

24-MONTH STATE HIGHWAY ACCOUNT CASH FORECAST

(\$ in millions)



September/December Forecast Assumptions:

- ▶ Assumed allocation of \$900 million in 2004-05.
- ▶ Assumes revised federal collection numbers based on a fix to ethanol and August Redistribution of \$52 million.
- ▶ Assumes support expenditures as approved in the 2004-05 Budget Act. Future-year expenditures are consistent with the Adopted 2004 Fund Estimate.
- ▶ Forecast did not assume early loan payback from the renegotiation of tribal gaming compacts.

April Forecast Assumptions:

- ▶ Assumes support expenditures as displayed in the 2005-06 Governor's Budget. Future years are assumed to be equal to 2005-06, with the exception of a \$50 million efficiency reduction.
- ▶ Assumes revised federal collection numbers based on the latest continuing resolution information.
- ▶ Expenditures for capital projects have been updated based on the actual allocations to date.



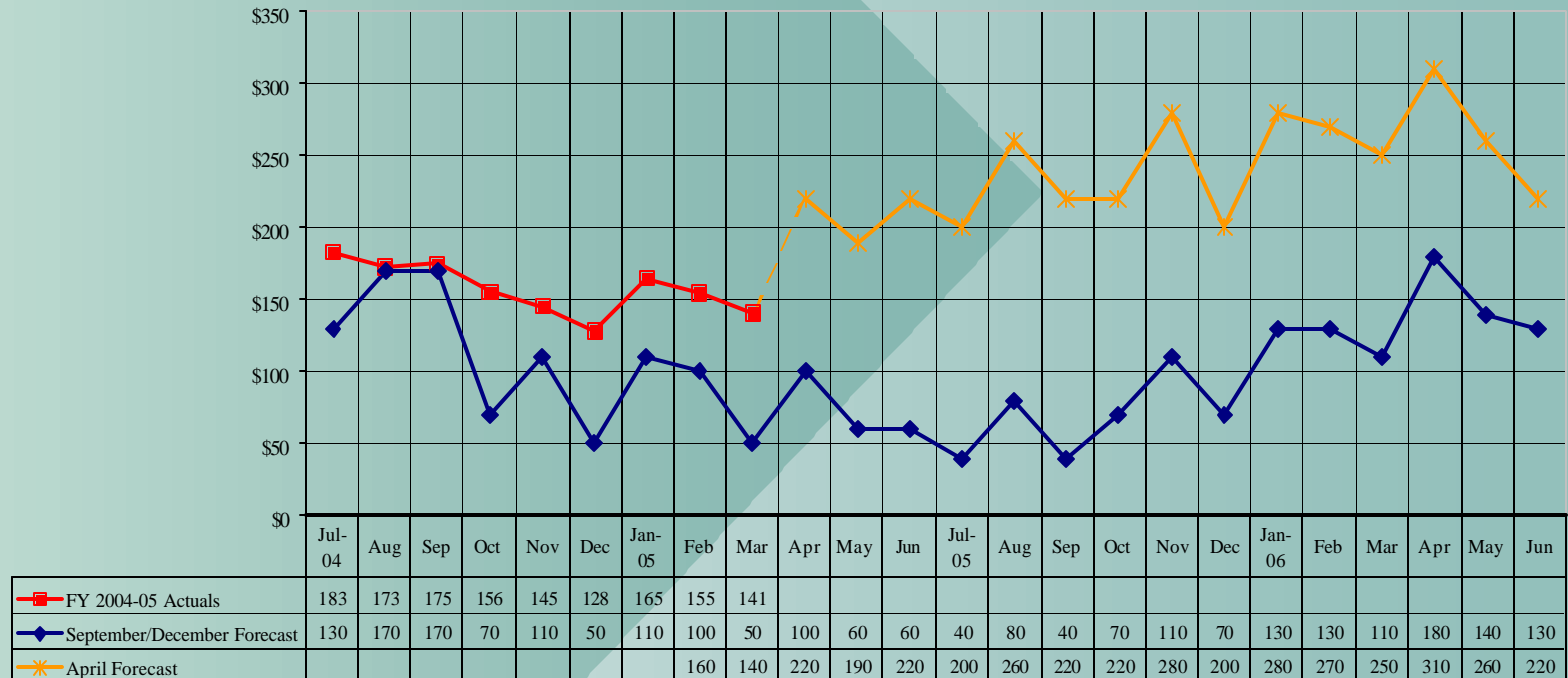
Public Transportation Account Cash Forecast

- Cash forecast assumptions:
 - Continued delay of the TCRF payback in 2005-06.
 - The Governor is proposing to restore the Transportation Investment Fund (TIF) funds transfer in 2005-06. The April forecast assumed suspension of this transfer.
 - Revenue estimates reflect the proposed 2005-06 Governor's Budget.

Public Transportation Account Cash Forecast

24-MONTH PUBLIC TRANSPORTATION ACCOUNT CASH FORECAST

(\$ in millions)



September/December Forecast Assumptions:

- ▶ Revenue estimates reflect the 2004-05 Governor's Budget.
- ▶ No transfer of Non-Article XIX funds from the State Highway Account.
- ▶ Suspension of Transportation Investment Fund (TIF) transfer for 2004-05.
- ▶ Assumes TIF transfer occurs in 2005-06.

April Forecast Assumptions:

- ▶ Revenue estimates reflect the 2005-06 Governor's Budget.
- ▶ Revised transfer of Non-Article XIX funds from the State Highway Account included.
- ▶ Includes suspension of TIF transfer in 2004-05 and 2005-06.
- ▶ Assumes suspension of Transportation Congestion Relief Fund loan payback for 2005-06, including associated expenditures.

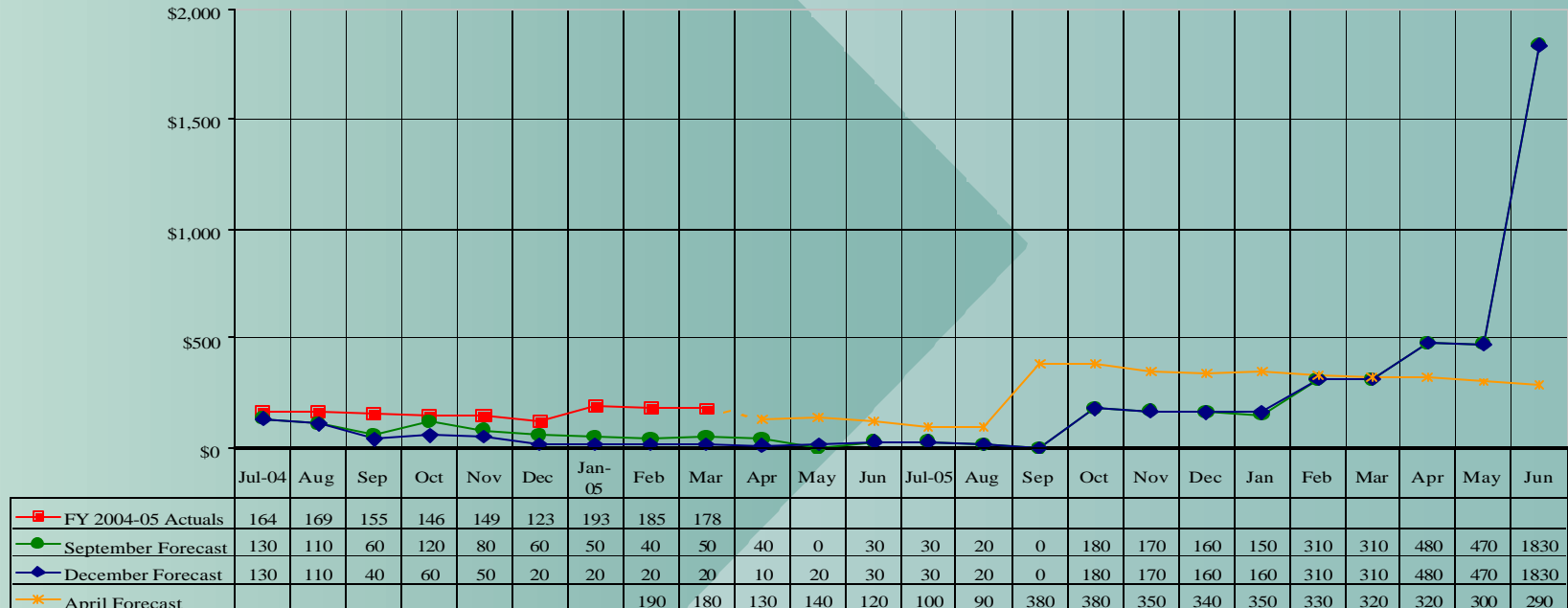


Traffic Congestion Relief Fund Cash Forecast

- Cash forecast assumptions:
 - The Governor is proposing to restore the TIF funds transfer (\$678M) in 2005-06. The April forecast assumed suspension of TIF.

Traffic Congestion Relief Fund Cash Forecast

24-MONTH TRAFFIC CONGESTION RELIEF FUND CASH FORECAST
(\$ in millions)



December Forecast Assumptions:

- ▶ No new allocations in 2004-05 or 2005-06.
- ▶ Suspension of Transportation Investment Fund (TIF) transfer in 2004-05.
- ▶ General Fund transfer of \$140 million in spillover revenue to occur in 2004-05.
- ▶ TIF transfer of \$678 million to occur quarterly in 2005-06.
- ▶ Loan repayment from General Fund of \$1.2 billion to occur June 2006.
- ▶ No early loan payback resulting from the renegotiation of tribal gambling compacts.
- ▶ General Fund transfer of \$43 million to occur in May 2005.
- ▶ Traffic Congestion Relief Fund transfer of \$20 million to State Highway Account to take place upon the receipt of the \$43 million.

Assumption Change from Previous Assumptions:

- ▶ General Fund transfer (spillover) has been adjusted to show actual transfer pattern.
- ▶ Updated project expenditure patterns.
- ▶ Extended suspension of TIF transfer of \$678 million in 2005-06.

Uncertainties

- The federal Transportation Act has not yet been enacted.
 - The bill has been delayed for 19 months.
- Governor's budget May Revise proposals must be approved by the Legislature.
- Tribal gaming legal challenges and delays.